

Message

From: Topinka, Natalie [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=90BEB293E2EE4EF986E3AD4286C3C73F-NTOPINKA]
Sent: 2/20/2018 8:57:57 PM
To: Marsh, Karen [Marsh.Karen@epa.gov]; Thompson, Lisa [Thompson.Lisa@epa.gov]
Subject: FW: GP 12.1/2 and NSPS OOOO/a (state equivalency issue)

Hi Karen and Lisa,

Ex. 5 Deliberative Process (DP)

Thanks,

Natalie

From: Topinka, Natalie
Sent: Thursday, February 15, 2018 2:33 PM
To: Hopkins, Mike <Mike.Hopkins@epa.state.oh.us>
Cc: Breneman, Sara <breneman.sara@epa.gov>; Dickens, Brian <dickens.brian@epa.gov>; Loukeris, Constantinos <loukeris.constantinos@epa.gov>; Erik Olson <Olson.Erik@epa.gov>; Damico, Genevieve <damico.genevieve@epa.gov>
Subject: GP 12.1/2 and NSPS OOOO/a

Mike,

Many thanks to you and your colleagues for your time last Thursday. Below is a summary of how we understand the OEPA GP 12.1/2 permits and NSPS OOOO/a applicability based on our recent conversations. Please let us know any additional thoughts or clarifications you can share on this matter.

Background citations:

NSPS OOOO, at 40 C.F.R. § 60.5365 (e):

“Each storage vessel affected facility, which is a single storage vessel located in the oil and natural gas production segment, natural gas processing segment or natural gas transmission and storage segment, and has the potential for VOC emissions equal to or greater than 6 tpy as determined according to this section by October 15, 2013 for Group 1 storage vessels and by April 15, 2014, or 30 days after startup (whichever is later) for Group 2 storage vessels, except as provided in paragraphs (e)(1) through (4) of this section. The potential for VOC emissions must be calculated using a generally accepted model or calculation methodology, based on the maximum average daily throughput determined for

a 30-day period of production prior to the applicable emission determination deadline specified in this section. The determination may take into account requirements under a legally and practically enforceable limit in an operating permit or other requirement established under a Federal, State, local or tribal authority."

OEPA GP 12.1/2, condition 6:

b) Applicable Emissions Limitations and/or Control Requirements

- 1) *f. "The permittee accepts a voluntarily [sic] limit to restrict the potential VOC emissions from each storage vessel to less than 6 tons per year.*

f) Testing Requirements

Compliance with the Emission Limitations and/or Control Requirements specified in section b) of these terms and conditions shall be determined in accordance with the following methods:

(1) Emissions limitation:

For each storage vessels [sic] not meeting the collection and control requirements of Part 60 Subpart OOOO, the potential annual VOC emissions must be documented to be less than 6 tons/year; or the uncontrolled actual VOC emissions shall be calculated to be less than 4 tons/year in accordance with 40 CFR 60.5395(d)(2) through monthly determinations.

For each storage vessel with potential emissions equal to or greater than 6 tons VOC/year, reduce VOC emissions by 95.0% by installing a closed vent system designed and operated with no detectable emissions, that routes all gases, vapors, and fumes to a process or a combustion control device meeting the requirements of 40 CFR 60.5412(d) or 40 CFR 60.5413(d)."

Application of NSPS OOOO/a requirements under GP 12.1/2:

Per the permit provision 6.f)(1), the source must comply with the collection and control requirements of NSPS OOOO* in order to comply with the voluntary 6 TPY limit to PTE. That is, the collection and control requirements of OOOO, included as permit provision 6.f)(1), are the "requirements under a legally and practically enforceable limit in an operating permit" that may be taken into account when determining PTE under 40 C.F.R. § 60.5365(e). However, if sources are not meeting these collection and control requirements, they cannot take credit in their PTE calculations for complying with the voluntary 6 TPY limit to PTE (and thus may be storage vessel affected facilities under OOOO). PTE should be calculated without accounting for the reductions that would have otherwise been achieved by complying with the collection and control requirements (i.e. a source should not be able to take into account emissions reductions that it is not achieving).

**Although not defined in the GP 12.1/2 permits, EPA assumes the "collection and control requirements of Part 60 Subpart OOOO" refers to, at minimum, sections 60.5411 through 60.5413, and include a closed vent system and control device designed and operated to certain minimum standards specified in those sections.*

Regardless, the source must comply with the collection and control requirements of OOOO - either because it is a OOOO storage vessel affected facility, or through the permit provision 6.f)(1).

Observations:

Some sources appear to be disregarding the permit requirement to meet the collection and control requirements of Part 60 Subpart OOOO. These sources assert that the GP 12.1/2 provision 6.b)1)f. (acceptance of a 6 tpy limit) functions as a blanket shield or exemption from rendering their storage vessels affected facilities under OOOO, regardless of the source's status of compliance with permit provision 6.f)(1) (the collection and control requirements of OOOO).

In addition, in their PTE calculations, sources are accounting for emissions expected to be reduced by the vapor collection and control system (e.g., if a properly designed and operated vapor collection and control system would reduce emissions by 95%, sources are reporting their potential emissions as the total after taking a 95% reduction), regardless of any demonstration they are meeting the collection and control requirements and actually achieving the reductions. Sources have provided to US EPA their potential to emit calculations, which, without controls, are above 6 TPY VOC.

Thanks,

Natalie

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